

FOR WIRE TRANSMISSION 10:00 A.M. ET, Thursday, February 12, 2004

CB-04-18

MANUFACTURING AND TRADE INVENTORIES AND SALES **December 2003**

INTENTION TO REVISE: Revisions to the Wholesale and Retail adjusted and unadjusted monthly estimates for sales and inventories are scheduled for release March 3 and March 30, respectively. Manufacturing estimates will be revised at a later date. Revisions to the Wholesale data will be reflected in the January 2004 Manufacturing and Trade Inventories and Sales (MTIS) press release scheduled for March 12, 2004. Revisions to the Retail data will be reflected in the February 2004 MTIS scheduled for April 13, 2004.

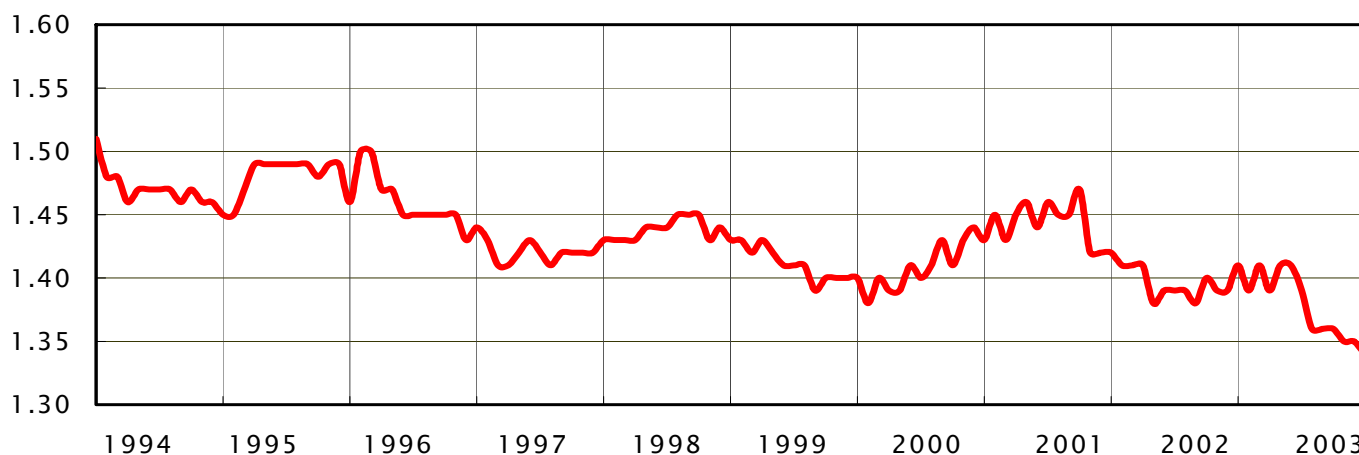
Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for December, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$889.8 billion, up 0.9 percent ($\pm 0.2\%$) from November and up 7.0 percent ($\pm 0.4\%$) from December 2002.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,190.7 billion, up 0.3 percent ($\pm 0.2\%$) from November and up 1.9 percent ($\pm 0.5\%$) from December 2002.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of December was 1.34. The December 2002 ratio was 1.41.

Total Business Inventories/Sales Ratios: 1994 to 2003

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for January is scheduled for release March 12, 2004 at 8:30 a.m. Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Dan Sansbury (301) 763-4832 (Manufacturing), or Nancy Piesto (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: retail.trade@census.gov.

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. December data was released February 4 for Manufacturers and February 9 for merchant wholesalers. The data are also available the day of issue on the Internet-<http://www.census.gov/bussales> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Dec. 2003	Nov. 2003	Dec. 2002	Dec. 2003	Nov. 2003	Dec. 2002	Dec. 2003	Nov. 2003	Dec. 2002
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted									
Total business.....	889,797	881,635	831,472	1,190,686	1,187,687	1,168,999	1.34	1.35	1.41
Manufacturers ³	346,533	341,454	323,362	438,106	438,126	444,188	1.26	1.28	1.37
Retailers.....	292,400	291,921	275,763	458,123	456,845	436,103	1.57	1.56	1.58
Merchant wholesalers.....	250,864	248,260	232,347	294,457	292,716	288,708	1.17	1.18	1.24
Not Adjusted									
Total business.....	945,296	855,100	868,285	1,178,306	1,220,733	1,155,640	1.25	1.43	1.33
Manufacturers ³	344,042	333,414	316,560	427,737	439,491	433,756	1.24	1.32	1.37
Retailers.....	343,377	286,269	319,815	453,333	485,870	431,121	1.32	1.70	1.35
Merchant wholesalers.....	257,877	235,417	231,910	297,236	295,372	290,763	1.15	1.25	1.25

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Dec. 03/ Nov. 03	Nov. 03/ Oct. 03	Dec. 03/ Dec. 02	Dec. 03/ Nov. 03	Nov. 03/ Oct. 03	Dec. 03/ Dec. 02	Dec. 03/ Nov. 03	Nov. 03/ Oct. 03	Dec. 03/ Dec. 02	Dec. 03/ Nov. 03	Nov. 03/ Oct. 03	Dec. 03/ Dec. 02
Total business.....	0.9	0.7	7.0	0.3	0.4	1.9	10.5	-5.9	8.9	-3.5	0.9	2.0
Manufacturers.....	1.5	0.5	7.2	0.0	-0.1	-1.4	3.2	-6.3	8.7	-2.7	-0.5	-1.4
Retailers.....	0.2	1.0	6.0	0.3	0.8	5.0	19.9	-0.8	7.4	-6.7	2.7	5.2
Merchant wholesalers..	1.0	0.6	8.0	0.6	0.5	2.0	9.5	-10.9	11.2	0.6	0.4	2.2

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Dec. 2003 (p)	Nov. 2003 (r)	Dec. 2002 (s)	Dec. 2003 (p)	Nov. 2003 (r)	Dec. 2002 (s)	Dec. 03/ Nov. 03	Nov. 03/ Oct. 03	Dec. 03/ Dec. 02	Dec. 03	Nov. 03	Dec. 02
	Adjusted ²												
	Retail trade, total.....	292,400	291,921	275,763	458,123	456,845	436,103	0.3	0.8	5.0	1.57	1.56	1.58
	Total (excl. motor veh. & parts).....	215,478	215,116	202,269	299,494	298,332	289,524	0.4	0.6	3.4	1.39	1.39	1.43
441	Motor vehicle & parts dealers.....	76,922	76,805	73,494	158,629	158,513	146,579	0.1	1.1	8.2	2.06	2.06	1.99
442,3	Furniture,home furn., elect. & appl. stores...	16,887	16,869	15,509	28,583	28,401	26,373	0.6	0.9	8.4	1.69	1.68	1.70
444	Building materials, garden equip & supplies...	28,413	28,244	24,875	47,285	46,746	43,109	1.2	0.9	9.7	1.66	1.66	1.73
445	Food & beverage stores.....	42,792	42,962	41,327	34,565	34,645	34,294	-0.2	0.1	0.8	0.81	0.81	0.83
448	Clothing & clothing access. stores.....	15,245	15,269	14,525	36,794	36,741	36,061	0.1	0.9	2.0	2.41	2.41	2.48
452	General merchandise stores.....	40,569	40,434	38,437	67,786	67,073	66,456	1.1	0.0	2.0	1.67	1.66	1.73
4521	Dept. strs. (excl. leased depts.).....	18,017	18,018	18,336	35,821	36,089	37,767	-0.7	-1.3	-5.2	1.99	2.00	2.06
	Not Adjusted												
	Retail trade, total.....	343,377	286,269	319,815	453,333	485,870	431,121	-6.7	2.7	5.2	1.32	1.70	1.35
	Total (excl. motor veh. & parts).....	270,789	219,306	252,873	290,986	326,051	281,124	-10.8	1.7	3.5	1.07	1.49	1.11
441	Motor vehicle & parts dealers.....	72,588	66,963	66,942	162,347	159,819	149,997	1.6	4.8	8.2	2.24	2.39	2.24
442,3	Furniture,home furn., elect. & appl. stores...	23,959	18,424	21,625	28,383	32,462	26,162	-12.6	4.4	8.5	1.18	1.76	1.21
444	Building materials, garden equip & supplies...	25,542	25,671	21,814	45,914	45,577	41,816	0.7	-0.6	9.8	1.80	1.78	1.92
445	Food & beverage stores.....	46,655	42,914	44,693	35,356	36,248	35,074	-2.5	1.8	0.8	0.76	0.84	0.78
448	Clothing & clothing access. stores.....	26,835	16,540	25,296	33,998	40,893	33,356	-16.9	0.6	1.9	1.27	2.47	1.32
452	General merchandise stores.....	61,470	45,473	58,883	63,537	79,567	62,207	-20.1	2.2	2.1	1.03	1.75	1.06
4521	Dept. strs. (excl. leased depts.).....	31,243	21,082	31,854	33,170	43,595	35,010	-23.9	1.5	-5.3	1.06	2.07	1.10

(p) Preliminary (r) Revised (s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.